GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1671
ANSWERED ON:08.03.2016
Sale of Farm Produce to Retailers
Ram Mohan Naidu Shri Kinjarapu

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government has any policy that dictates the flow of produce from the farmer to the end;

(b) if so, the details thereof;

(c) whether the Government is planning to introduce a new policy to restructure the way farmers can sell their produce directly to retailers; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): Agriculture marketing sector is administered by the Governments of States and Union Territories (UTs) as per their respective Agriculture Produce Marketing Regulation (APMR) Acts/Rules. The Government plays an advisory role and has continuously advocated States/UTs for amendments in their marketing laws to provide suitable legal framework and policy atmosphere in order to facilitate uninterrupted and cost effective flow of agricultural produce from the farmers to the end users in the food supply chain. Towards this end, the Government in its reform agenda is, inter alia, focused on promotion of alternate market channels such as direct marketing, contract farming, setting up of private markets, e-trading, farmer consumer markets, deregulation of Fruits & Vegetables outside the market yards and implementation of single point levy of market fee and unified single licence.

(c) & (d): In order to usher reforms in the marketing sector and promote sale of produce by farmers directly to buyers/traders, the Government has approved a scheme for setting up of National Agriculture Market (NAM) on 01.07.2015 with a budget of Rs.200 crore and to be implemented during 2015-16 to 2017-18.

The scheme envisages implementation of the National Agriculture Market (NAM) by setting up of an appropriate common e-market platform that would be deployable in regulated wholesale markets in States/UTs desirous of joining the e-platform. Small Farmers Agribusiness Consortium (SFAC) will implement the national e-platform in 585 selected regulated markets and will cover 400 mandis in 2016-17 and 185 mandis in 2017-18. Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) will meet the cost on software and its customization for the States. DAC&FW also gives grant as one time fixed cost subject to the ceiling of Rs.30.00 lakhs per Mandi for related equipment/infrastructure. State Governments/UTs will propose names of regulated markets which could be integrated with NAM. The NAM will be launched on 14th April 2016, on pilot basis, in 20 mandis across 8 States.
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